

**EXHIBIT 7**  
**TO OPPOSITION TO MOTION TO COMPEL**

**Matz, Robert**

**From:** Gray, Joseph [jgray@velaw.com]  
**Sent:** Friday, November 10, 2006 3:00 PM  
**To:** Matz, Robert; Edelman, Michael N.  
**Cc:** Preston, Hilary  
**Subject:** Re: November 10, 2006 letter from Robert Matz to Joseph Gray

Robert,

I am in receipt of your letter dated November 10th. Contrary to your accusations, the deadlines for responding to my letters of last week reciting issues we have repeatedly raised in the past were not purposefully set with the 30 (b)(6) depositions of AmeriMerchant and First Funds in mind. We have repeatedly raised the discovery issues set forth in my letters of last week, although Plaintiff has either refused to resolve the issues or refused to provide a response. Given that Plaintiff is represented by a sophisticated law firm that has multiple attorneys on the case (with you specifically responding to nearly all discovery issues), we believe that Plaintiff could have at least attempted to resolve the issues reiterated by my letters within the time set, if it intended to do so. Indeed, my understanding is that Michael Edelman, alone, attended the depositions this week.

I also note that your letter conspicuously omits any requested time frame for a response. It appears that Plaintiff is attempting to prevent Defendants from seeking relief from the Court regarding Plaintiff's myriad discovery failures. Defendants intend to seek relief from the Court imminently, so please inform us immediately if Plaintiff intends to resolve any of the issues we have repeatedly raised regarding Plaintiff's discovery failures. Because we have repeatedly requested that Plaintiff comply with its discovery obligations, and Plaintiff has refused to do so, Defendants believe that they have exhausted the meet and confer process. Obviously, if Defendants seek relief from the Court regarding an issue that is thereafter satisfactorily resolved by Plaintiff, Defendants will inform the Court of Plaintiff's resolution of that issue.

As explained in my letters of last week, Plaintiff's dilatory tactics are significantly prejudicing the defense of this case, and Plaintiff has left Defendants no option but to seek relief from the Court.

Regards,

**Joseph D. Gray**  
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